

11/29/78 [1]

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THE PRESIDENT'S SCHEDULE

Wednesday - November 29, 1978

8:15 Dr. Zbigniew Brzezinski - The Oval Office.

10:00 Mr. Jody Powell - The Oval Office.

10:30 Arrival Ceremony for His Excellency
Hedi Nouira, Prime Minister of Tunisia
and Mrs. Nouira - The South Grounds.

11:00 Meeting with Prime Minister Hedi Nouira.
(60 min.) (Dr. Zbigniew Brzezinski) - The Oval Office
and the Cabinet Room.

12:00 Luncheon Honoring Prime Minister Hedi Nouira.
First Floor Private Dining Room.

2:30 Drop-by Briefing for State Chairpersons and
(15 min.) DNC Executive Committee/inflation. (Mr. Tim
Kraft) - The East Room.

THE WHITE HOUSE
WASHINGTON

29 Nov 78

For the Record:

The originals have been sent
to stripping for mailing.

cc: Stripping

THE WHITE HOUSE
WASHINGTON

Mr. President:

The speechwriters' office
has reviewed the attached
text.

Kahn's office has no comment.

TWO SIGNATURES REQUESTED.

Rick/Bill



CHAIRMAN

UNITED STATES CIVIL SERVICE COMMISSION
WASHINGTON, D. C. 20415

November 22, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Scotty
Alan K. Campbell

SUBJECT: Establishment of Merit Pay Systems in the Federal Government

As you know, one of the most difficult parts of the Civil Service Reform Act to implement will be merit pay and performance evaluation. Since Federal managers have had practically no experience in administering pay, because of the automatic character of the Federal pay system, I have sought assistance from outside Government. The Business Roundtable and the Compensation Council of the National Conference Board have both agreed to help.

This assistance will begin on December 4 and 5 when compensation experts from 65 of the country's top corporations are meeting with us. On Monday they will describe the different approaches used by private corporations in this field, and on Tuesday they will be paired off with their counterparts from Government agencies and will work out a long-term system of assistance to departments and agencies.

Attached are drafts of letters to Tom Murphy, current Chairman of The Business Roundtable and Chairman and Chief Executive Officer of General Motors, and Don Conley, Chairman of the Compensation Council of the Conference Board and Corporate Director of Compensation at Honeywell, thanking them for providing the cooperation of their organizations.

For your information, Alfred Kahn has agreed to meet with this group of business executives to discuss your anti-inflation program with them.

Attachments

THE WHITE HOUSE

WASHINGTON

November 29, 1978

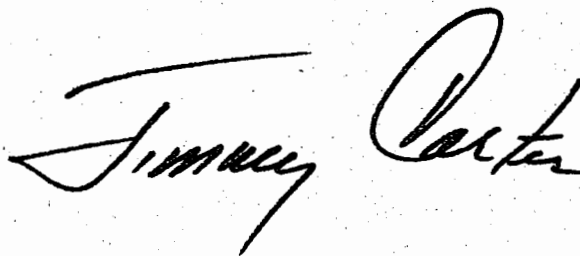
To Thomas Murphy

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I am grateful for the tremendous help of the Business Roundtable in persuading Congress to adopt the Civil Service Reform Act. Your continuing interest in its effective implementation serves this country very well. On behalf of the American people, I thank you for it.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with the first name "Jimmy" and the last name "Carter" clearly distinguishable.

Mr. Thomas A. Murphy
Chairman and Chief Executive Officer
General Motors Corporation
General Motors Building
Detroit, Michigan 48202

THE WHITE HOUSE
WASHINGTON

November 29, 1978

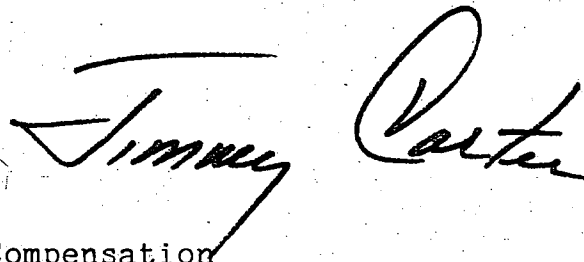
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A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J". The last name "Carter" is written with a large, sweeping initial "C".

Mr. W. D. Conley
Corporate Director of Compensation
Honeywell, Inc.
Honeywell Plaza
Minneapolis, Minnesota 55408

FOR STAFFING

FOR INFORMATION

FROM PRESIDENT'S OUTBOX

LOG IN/TO PRESIDENT TODAY

IMMEDIATE TURNAROUND

NO DEADLINE

LAST DAY FOR ACTION

ADMIN CONFIDENTIAL

CONFIDENTIAL

SECRET

EYES ONLY

VICE PRESIDENT

JORDAN

EIZENSTAT

KRAFT

LIPSHUTZ

MOORE

POWELL

RAFSHOON

WATSON

WEXLER

BRZEZINSKI

MCINTYRE

SCHULTZE

ADAMS

ANDRUS

BELL

BERGLAND

BLUMENTHAL

BROWN

CALIFANO

HARRIS

KREPS

MARSHALL

SCHLESINGER

STRAUSS

VANCE

ARAGON

BUTLER

H. CARTER

CLOUGH

CRUIKSHANK

FALLOWS

FIRST LADY

GAMMILL

HARDEN

HUTCHESON

LINDER

MARTIN

MOE

PETERSON

PETTIGREW

PRESS

SANDERS

VOORDE

WARREN

WISE

*Call Campbell's
Sandy
Office on This*

ACTION

FYI

*Getting
dated*

ID 785970

THE WHITE HOUSE

WASHINGTON

DATE: 27 NOV 78

FOR ACTION: JIM FALLOWS

INFO ONLY: ANNE WEXLER

JIM MCINTYRE

ALFRED KAHN *nc*

SUBJECT: CAMPBELL MEMO RE ESTABLISHMENT OF MERIT PAY SYSTEMS
IN FEDERAL GOVERNMENT

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM WEDNESDAY 29 NOV 78 +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:



CHAIRMAN

UNITED STATES CIVIL SERVICE COMMISSION
WASHINGTON, D.C. 20415

November 22, 1978

MEMORANDUM FOR THE PRESIDENT

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For your information, Alfred Kahn has agreed to meet with this group of business executives to discuss your anti-inflation program with them.

Attachments

DRAFT

Mr. Thomas A. Murphy
Chairman and Chief Executive Officer
General Motors Corporation
General Motors Building
Detroit, Michigan 48202

Dear Mr. Murphy:

I have been informed by Alan Campbell, Chairman of the U. S. Civil Service Commission, of the help which the Business Roundtable is providing in the implementation of the Civil Service Reform Act. As you know, this legislation was one of my top priorities and is key to our general efforts to improve the efficiency and effectiveness of the Federal management system.

One of the parts of that legislation, the application of merit pay to our middle managers, will be one of the most difficult for us to implement because Federal managers have very little experience in administering a pay system since most pay decisions in the Federal Government are automatic. The cooperation which the Business Roundtable is providing in helping the Departments and agencies to understand and establish appropriate systems is of vital importance to the success of the whole effort.

I, of course, am aware of the tremendous assistance the Business Roundtable provided in persuading Congress to adopt the Civil Service Reform Act, and your continuing interest in its effective implementation serves this country very well. On behalf of the American people, I thank you for it.

Sincerely,

JIMMY CARTER

DRAFT

Mr. W. D. Conley
Corporate Director of Compensation
Honeywell, Inc.
Honeywell Plaza
Minneapolis, Minnesota 55408

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I am aware of the personal contribution which you made in the development of the Federal Personnel Management Project's recommendations in the compensation area, and your continuing interest in its effective implementation serves this country very well. On behalf of the American people, I thank you for it.

Sincerely,

JIMMY CARTER

W/ [signature]

ok BA
11/28/78

ID 785970

THE WHITE HOUSE

WASHINGTON

DATE: 27 NOV 78

FOR ACTION: JIM FALLOWS

INFO ONLY: ANNE WEXLER

JIM MCINTYRE

ALFRED KAHN

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CHAIRMAN

UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D. C. 20415

November 22, 1978

*Oops!
Never mind...*

MEMORANDUM FOR THE PRESIDENT

FROM:

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Alan K. Campbell

SUBJECT: Establishment of Merit Pay Systems in the Federal Government

therefore, at my request,

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December 4,
next week
This assistance will begin ~~on December 4 and 5~~ when compensation experts from 65 of the country's top corporations ~~are meeting~~ with us. On Monday, they will describe the different approaches used by private corporations in this field, ~~and on Tuesday, they will be confer~~ *enced off* with their counterparts from Government agencies ~~and to~~ *will* work out a long-term system of assistance to departments and agencies.

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11/28/78

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Reckley
11/28/48

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Jimmy Carter

R. Rackleff
11/28/78

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Honeywell, Inc.
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Minneapolis, Minnesota 55408

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Sincerely,

Jimmy Carter

THE WHITE HOUSE

WASHINGTON

November 21, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
RICK NEUSTADT

SUBJECT: Status Report -- Privacy PRM

An interagency task force co-chaired by us and Commerce is completing work on analyzing last year's report by the Privacy Commission and developing a proposed privacy policy for your consideration. Fifteen agencies are affected by these issues, so the options papers had to circulate widely. We have learned that the New York Times has obtained copies of some of these papers, and we are therefore providing you a status report on the project. The final report should be ready for your review about December 1.

The Privacy Commission concluded that a serious, long-term social problem is posed by the increasing collection of personal data by government and private industry, the increasing dependence on such data to make important decisions about people, and the growth of computers. The Commission recommended Federal legislation to provide privacy protections for several categories of private sector records plus strengthened controls on Federal record-keeping.

The privacy PRM has already produced:

- o the bill you signed in October giving individuals an opportunity to challenge Federal agency access to their bank records; and
- o OMB guidelines on computerized matches of personnel lists. (These guidelines permit programs like HEW's effort to identify welfare cheaters but provide safeguards.)

The task force is now preparing to recommend legislation to mandate broader privacy protections for financial and medical records. These proposals would be grouped with the


legislation to deal with the Supreme Court's Stanford Daily decision and with improved safeguards on Federal records in a package to go to the Hill in February.

Development of these recommendations requires balancing the need for privacy safeguards against both law enforcement considerations and the need to minimize Federal controls on the private sector. The Times is likely to say that the bank bill that passed and some of the options being considered are too weak. Others will say they go too far. We will discuss these tradeoffs in detail in the final report.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

November 22, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren 
SUBJECT: Agency Performance of Your May 1977 Environmental
Message Directives

We recently concluded our final survey of agency compliance with the environmental objectives you set forth in your May 1977 Environmental Message. We are pleased to report that agency performance has been quite good, a fact which is apparent in our October 1978 public report - Progress in Environmental Quality. Among the major environmental achievements that stem from the Message are:

- o enactment of the Clean Water Act Amendments which reaffirmed this Administration's commitment to a tough, innovative, and comprehensive clean water program
- o promulgation of the Water Policy Reform message which emphasizes water conservation as a keystone of Administration policy
- o enactment of the Clean Air Act Amendments which maintains the strict and effective program established in 1970 while initiating innovative reforms, such as economic noncompliance penalties
- o development of regulations implementing the National Environmental Policy Act (NEPA) that should improve decisions while reducing paperwork and delay
- o enactment of the Redwoods National Park bill and the Omnibus Parks bill, which included many of the Administration's proposals and is the broadest such measure ever, adding more than 100 wilderness areas, national parks, wild and scenic rivers, historic sites, and national trails to the federal system.

The Environmental Message contained about 90 specific directives in seven areas where we sought to improve environmental quality. Of the 90, we estimate that all but about 10 have been or are being fully implemented. The Environmental Message defined the Administration's major environmental objectives. The specific directives focused agency attention on your objectives and priorities and provided the public with benchmarks for assessing agency performance. The Message also caused agencies to examine existing programs in light of the Administration's environmental goals. The specific deadlines stated in the Message were a useful management tool and spurred agencies to act more promptly than would have otherwise occurred. Finally, the EOP role of overseeing Message implementation by exercising general oversight and review of agency efforts, by providing advice and interagency coordination on some initiatives, and by taking lead responsibility for a few proposals has helped substantially in carrying out the Message.

The Message was particularly well received by the environmental and conservation community who viewed the Message as a strong affirmation of your commitment to environmental protection.

Among the areas where results have been disappointing are:

- o failure to obtain enactment of legislation to protect more than 100 million acres of Alaska
- o inadequate implementation of the ORV Executive Order
- o failure to obtain enactment of the 1872 Hard Rock Mining Law reform legislation
- o failure to develop a National Heritage Trust legislative proposal.

Looking to next year, we are developing materials for a 1979 Environmental Message and are reviewing with Stu and the Domestic Policy Staff the value of a 1979 Environmental Message and what it might contain. Preliminarily, we believe the effort worthwhile.

THE WHITE HOUSE
WASHINGTON

11-28-78

To Stan Turner

The briefing this morning -
more political & strategic, &
less technical - was very
good.

Maybe more of the
same?

J. C.

THE WHITE HOUSE
WASHINGTON

11/28y78

Mr. President:

Judge Bell has requested a 15
minute meeting this week to go over
the first series of judicial appoint-
ments under the new bill. Hamilton
recommends.

☒ approve

☐ disapprove

Phil

J

3 pm

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

November 28, 1978

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze ^{CLs}

SUBJECT: New October data: The Trade Balance and
Index of Leading Economic Indicators

Trade Balance (to be released at 9:30 a.m., Wednesday,
November 29, 1978)

I showed you the figures this afternoon. The trade deficit rose from -\$1.7 billion in September to -\$2.1 billion in October. Imports were unchanged. Exports fell by \$400 million, \$200 million of which was accounted for by a decline in gold exports (which should rise again as Treasury steps up gold sales).

The following Table puts the figures in perspective:

(billions of \$; monthly average)

	<u>Exports</u>	<u>Imports</u>	<u>Balance</u>
1977	10.1	12.3	-2.2
1978 1Q	10.3	13.5	-3.2
2Q	11.8	14.1	-2.2
3Q	12.6	14.7	-2.1
July	11.8	14.8	-3.0
August	12.5	14.1	-1.6
September	13.4	15.1	-1.7
October	13.0	15.1	-2.1

Given the unusually good performance in August and September, and the erratic nature of the month to month data, some increase in the deficit was expected in October. Since half of the deterioration was accounted for by the drop in gold exports -- which will pick up again -- the actual outcome is not too bad. On the other hand, the rise in oil imports, expected in the fourth quarter, did not show up in these October data. The increases may show up in November and December.

Index of Leading Economic Indicators

Tomorrow (Wednesday, November 29) at 10:30 a.m. the Commerce Department will publish the index of leading economic indicators for October. The index rose 0.5 percent last month, following increases of 0.9 percent in September and 0.7 percent in August.

This index is widely cited by the press as an indicator of forthcoming economic developments. It is only one of the many series we look at to gauge economic performance, and we do not rely heavily on it. The recent increases in the index are, nevertheless, consistent with our view that economic growth in the fourth quarter is holding up well.

THE WHITE HOUSE
WASHINGTON

29 Nov 78

Tim Kraft

The attached was returned in
the President's outbox today.
It is forwarded to you for
appropriate handling.

Rick Hutcheson



THE WHITE HOUSE
WASHINGTON

November 27, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT *TK*

SUBJECT: Ambassadorial Appointment - Czechoslovakia

Attached are the background papers on a career officer whom Secretary Vance recommends for nomination to the ambassadorial post in Czechoslovakia. Dr. Brzezinski concurs with this selection; State will begin the clearance procedures upon your approval.

Francis J. Meehan -- Czechoslovakia

☒ Approve

☐ Disapprove

J

CANDIDATE FOR CZECHOSLOVAKIA

NAME: Francis J. MEEHAN

AGE: 54

AREAS OF EXPERIENCE: Europe

COUNTRIES OF EXPERIENCE: Soviet Union, Germany, Hungary, Austria

FOREIGN LANGUAGES: German, Russian, Hungarian, French

RANK: Foreign Service Officer of Class I

EDUCATION: MA, Glasgow University, 1945, History
MPA, Harvard University, 1957, Russian Language

PROFESSIONAL EXPERIENCE:

1977 - present	Deputy Chief of Mission, Bonn
1975 - 1977	Deputy Chief of Mission, Vienna
1972 - 1975	Political Officer, Bonn
1968 - 1972	Deputy Chief of Mission, Budapest
1967 - 1968	Deputy Executive Secretary of the State Department
1966 - 1967	Director, Operations Center, State Department
1962 - 1966	Political Officer, U.S. Mission Berlin
1961 - 1962	Economic/Commercial Officer, U.S. Mission Berlin
1959 - 1961	Political Officer, Moscow
1957 - 1959	Foreign Affairs Analyst, Bureau of Intelligence and Research
1953 - 1956	Political Officer, U.S. Mission to NATO
1952 - 1953	Information Officer, Hamburg
1951 - 1952	Information Specialist, Frankfurt
1948 - 1951	Administrative Assistant, Economic Cooperation Administration
1947 - 1948	Clerk, Bremen
1945 - 1947	United States Army
1945	Newspaper Editor

Francis J. Meehan

With nearly thirty years of experience in East-West matters, Mr. Meehan knows at first hand all the elements of U.S. relations with the European satellites. His policy sense is regarded as superb, and his consistently outstanding record portrays him as dependable, cooperative and hard working, a leader by virtue of his own competence and demonstrated ability to get the best from subordinates. He writes perceptively and speaks persuasively, and the three embassies he has managed as DCM have operated efficiently and happily. He has the appreciation of the anomalies and paradoxes inherent in Central European affairs needed to guide our relations with the Czechs. In addition, a flexible mind together with a stable and very attractive personality give him an individual style which has proven highly effective in Eastern Europe.

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

RL
THE ADMINISTRATOR

November 21, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: The DAC High Level Meeting in Paris

Last week I attended the High Level Meeting of the Development Assistance Committee in Paris and several things took place which I believe deserve your attention.

1. A number of the smaller countries (Sweden, Holland, Finland) whose O.D.A. flows are now above the UN target level (.7% of GNP) are becoming more outspokenly critical of the failure of the big three economies (Germany, Japan and the U.S.) to improve their performance.
2. Japan publicly reiterated its pledge to double its O.D.A. levels within three years, with CY 1977 as the base.
3. Several countries (Great Britain, Canada, Norway) declared that although their governments were curtailing, or even reducing, expenditures on some domestic programs, they were explicitly exempting their foreign assistance programs from such cuts.
4. There was widespread and intense interest in the successful passage of the U.S. foreign aid bill and in the proposals to reorganize the administrative structure of our foreign assistance programs. These moves were widely interpreted as indications of a reawakening of American interest in foreign economic development, and as a signal that the U.S. had decided to resume its traditional leadership role in this field.


John J. Gilligan

ID 785947

T H E W H I T E H O U S E

WASHINGTON

DATE: 22 NOV 78

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT

ZBIG BRZEZINSKI

JIM MCINTYRE

SUBJECT: GILLIGAN MEMO RE THE DAC HIGH LEVEL MEETING IN PARIS

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE
WASHINGTON

Ms. Carter
has seen.

CB

11-30-78

THE WHITE HOUSE
WASHINGTON

29 Nov 78

The First Lady

The attached was returned in
the President's outbox today.
It is forwarded to you for
appropriate handling.

Rick Hutcheson

ADMINISTRATIVELY CONFIDENTIAL



NOV 30 1978

THE WHITE HOUSE
WASHINGTON

November 27, 1978

Ros
J

Administratively Confidential

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE *F.M.*
BOB THOMSON *B.T.*

SUBJECT: MARVELLA BAYH

Senator Bayh's wife, Marvella, has just returned from an unpublicized stay in the hospital where she was again treated for cancer. Apparently, there is now some involvement with her lungs. She is in pain and her condition is not good. Additional bone scans will be done next week.

We do not suggest you call at this time. However, we wanted you and Mrs. Carter to be aware of the situation.

J
THE WHITE HOUSE
WASHINGTON
29 Nov 78

Jim McIntyre

The attached was returned in
the President's outbox today.
It is forwarded to you for
appropriate handling. The signed
original has been given to
Bob Linder for handling.

Rick Hutcheson

Stu Eizenstat
Frank Moore
Nelson Cruikshank

cc: Bob Linder

THE WHITE HOUSE
WASHINGTON

29 Nov 78

Jim McIntyre

Please prepare proper attachments
to accompany President's statement.

Eick Hutcheson

hold
for
documents

(Before give
to Linder)

3/60

discrepancy - 889, 899
check ✓ will lead back

Memorandum redone 11/27 (typo)

correct version attached
(of tab B) ↙

ACTION
FYI

FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
LAST DAY FOR ACTION

ADMIN CONFIDENTIAL
CONFIDENTIAL
SECRET
EYES ONLY

	VICE PRESIDENT
	JORDAN
/	EIZENSTAT
	KRAFT
	LIPSHUTZ
/	MOORE
	POWELL
	RAFSHOON
	WATSON
	WEXLER
	BRZEZINSKI
/	MCINTYRE
	SCHULTZE
	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BUTLER
	H. CARTER
	CLOUGH
/	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
/	LINDER <i>newspaper to Congress</i>
	MARTIN
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SANDERS
	VOORDE
	WARREN
	WISE

1. Call Herley Harris 338
2. get omis to prepare new documents to accompany the revised messages.

THE WHITE HOUSE
WASHINGTON

Mr. President:

NSC concurs with McIntyre.

Comments from Eizenstat/Moore and Cruikshank are attached.

Watson supports OMB's request for deferral of HUD Congregate Services because he feels that an interagency agreement can be worked out between HEW and HUD to use existing funds. (Agriculture and HEW recently reached such an agreement.)

Jack also supports OMB's recommendation to defer \$6.2 million for the Fire Academy since it will be merged into FEMA and the new administrator should have a say in the selection process.

TWO SIGNATURES REQUESTED at either:

TAB A: To include deferral for
Congregate Services (OMB,
Watson)

or

TAB B: To delete deferral for
Congregate Services (Eizen-
stat, Cruikshank)

Rick/Bill



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: THE PRESIDENT

From: James T. McIntyre, Jr. *Jim*

Subject: Second 1979 Special Message Under the
Impoundment Control Act of 1974

The second 1979 special message to the Congress under the Impoundment Control Act of 1974 is attached for your signature.

This special message reports one new rescission proposal of \$75,000 and four new routine deferrals totalling \$889 million. In addition, the special message includes revisions to two previously transmitted deferrals. The items are discussed below.

- Excess funds totalling \$75,000 for the Foreign Claims Settlement Commission have been identified as a result of a workload reduction in the Commission's East German claims program, and rescission is proposed. Additional information is provided at Tab A.
- Recently appropriated funds totalling \$10 million for a new Department of Housing and Urban Development program to provide congregate services for elderly or handicapped tenants of subsidized housing are deferred. This unrequested program is similar to existing programs in the Department of Health, Education, and Welfare (HEW). We will therefore recommend that you propose transfer of the funds to HEW. We are removing our objection to a pilot test of the program, and the deferral is necessary to preserve these funds for transfer pending your request and subsequent congressional approval. This deferral has some policy significance since it involves a congressionally-initiated social service program. Additional information is at Tab B.
- The Navy's shipbuilding and conversion program is the subject of a \$563.9 million deferral. These funds are available for five years and will be released as program needs dictate. A similar deferral was reported in FY 1978.
- A deferral of \$161.9 million in military assistance funds is established pending determinations on the allocation of these funds to recipient countries and the required congressional notifications.
- The ship construction program of the Department of Commerce is the subject of a \$157 million deferral. This deferral is being reported because the funds are excess to the currently expected level of shipbuilding activity for FY 1979. The deferred funds will be used in succeeding years. A similar deferral was reported last fiscal year.

*Jim. I'm
afraid that a new
program proposal
in HEW might
become uncontrollable.
Let's leave
Corp. Services
as is -
JC*

--- Funds totalling \$6.2 million for the construction of the National Fire Academy by the Commerce Department are deferred. The Department has been directed by the Congress to dispose of the current site for the academy in Washington, D.C. due to concerns about renovation costs and possible conflicts with local zoning laws. The funds are deferred pending selection and approval of a new site.

This package also includes revisions to two previously transmitted deferrals increasing the amount deferred by \$21.4 million. These supplementary reports involve the Federal Prison System in the Department of Justice and the State Department's Emergency refugee and migration assistance fund.

Analysis of Budget Costs

The budget impact of transmitting the rescission proposal and deferrals to the Congress will be negligible.

Agency and White House Views

The Department of Housing and Urban Development and the Domestic Policy Staff oppose the deferral recommendation and proposed transfer request for the congregate services program. The Congressional Liaison Staff has not reported any objection to this item.

The affected agencies, the Congressional Liaison Staff, the Domestic Policy Staff, and the National Security Council Staff have not reported any objection to the other items. The military assistance item did not require the attention of the National Security Council Staff.

Recommendation

I recommend that the special message be transmitted to the Congress as soon as possible.

Attachment

RESCISSION RECOMMENDATIONItem

Foreign Claims Settlement Commission
Salaries and expenses

Amount

\$75,000

Explanation

This rescission proposal is needed because \$75,000 in excess administrative funds for the Foreign Claims Settlement Commission have developed. These funds are part of an appropriation (to be derived by transfer) provided in the State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1979 (P.L. 95-431). During FY 1979, the Commission will be engaged primarily in adjudicating the claims of American citizens against the German Democratic Republic. The Commission anticipates a reduction in workload related to this program in FY 1979 due to the reduced number of claims received. Therefore, the \$75,000 are no longer required to carry out the planned FY 1979 program, and rescission of these funds is proposed. This rescission proposal is made in accordance with the Antideficiency Act (31 U.S.C. 665).

Agency View

The Foreign Claims Settlement Commission has no objection to this rescission proposal.

White House Staff Views

The Congressional Liaison Staff, the Domestic Policy staff, and the National Security Council have not reported any objection to this proposal.

DEFERRAL RECOMMENDATIONItem

Department of Housing and Urban Development
Congregate services program

Amount

\$10 million

Explanation

These funds were appropriated for use by the Department of Housing and Urban Development (HUD) to provide congregate services to eligible elderly and handicapped tenants living in certain subsidized housing units. However, services similar to those contemplated for the new program are already available through existing programs in the Department of Health, Education, and Welfare (HEW) and through State social service agencies. The development of improved congregate services programs will be most effective if this "limited pilot program" is developed in conjunction with existing HEW programs since HEW already has human service delivery systems in operation. Accordingly, we will recommend that you request a supplemental appropriation of \$10 million for the Human development services account in HEW to be derived by transfer from the congregate services program. If required, additional authorizing legislation will also be proposed. We believe that the transfer must be made at this time in order to avoid HUD's becoming a provider of social services in competition with HEW. Interest group opposition may be muted by the realization that we are not attempting to terminate the program. This temporary deferral action is necessary to preserve the funds pending your request of and congressional approval of the supplemental by transfer proposal.

Agency View

The Department of Housing and Urban Development opposes the deferral recommendation and proposed transfer request for the congregate services program.

White House Staff Views

The Domestic Policy staff opposes the deferral recommendation and proposed transfer of this item, while the Congressional Liaison Staff has not reported any objection.

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of \$75,000 in unneeded funds appropriated to the Foreign Claims Settlement Commission.

In addition, I am reporting five new deferrals of budget authority totalling \$899 million and two revisions to previously transmitted deferrals increasing the amount deferred by \$21.4 million in budget authority. These items involve the military assistance program and programs in the Departments of Commerce, Defense, Housing and Urban Development, Justice, and State.

The details of the rescission proposal and the deferrals are contained in the attached reports.

THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

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In addition, I am reporting five new deferrals of budget authority totalling \$899 million and two revisions to previously transmitted deferrals increasing the amount deferred by \$21.4 million in budget authority. These items involve the military assistance program and programs in the Departments of Commerce, Defense, Housing and Urban Development, Justice, and State.

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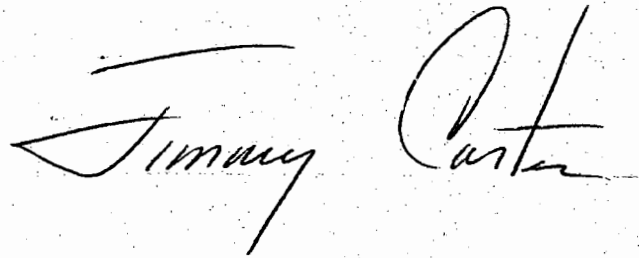
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The details of the rescission proposal and the deferrals are contained in the attached reports.

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J" and a long horizontal stroke extending to the right. The last name "Carter" is written with a large, sweeping initial "C" and a long horizontal stroke extending to the right.

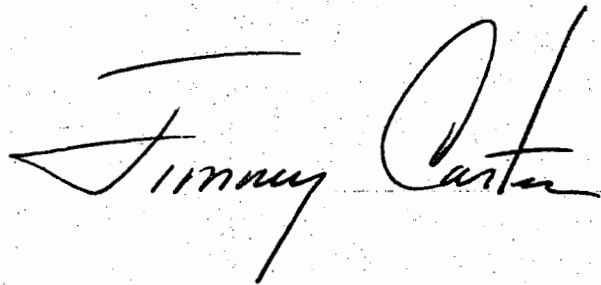
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The details of the rescission proposal and the deferrals are contained in the attached reports.

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive style with a large, sweeping "J" and "C".

THE WHITE HOUSE,

EIZENSTAT/MOORE
COMMENTS

THE WHITE HOUSE
WASHINGTON
November 27, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Spn*
FRANK MOORE

SUBJECT: Second 1979 Special Message Under
the Impoundment Control Act of 1974

We concur with the attached OMB rescission and deferral recommendations, except that we recommend against the proposed deferral regarding HUD's newly authorized congregate housing program.

Congress appropriated \$10 million to fund on a pilot basis the Congregate Housing Services Act of 1978, the major elderly housing initiative enacted this session. The bill permits HUD to provide "congregate services"--i.e., specially constructed housing units and full social services--to "frail" elderly and non-elderly handicapped residents of public housing units. The rationale is that such services would permit the program's beneficiaries to avoid unnecessary and costly institutionalization. OMB is withdrawing its prior objections to this pilot program, but is seeking a deferral in order to transfer the funds to HEW, on the ground that HEW operates similar programs. We object to OMB's recommendation for these reasons:

-- HEW and HUD have issued public reports acknowledging that the concept of the legislation is sound, and that the need for residential services to avoid institutionalization for public housing tenants is not being met by existing programs. The issue is whether HEW rather than HUD should be used to fill the present programmatic gap.

-- Both HEW and HUD question the feasibility of using HEW. The construction of specially designed units--i.e., common dining rooms, units without kitchens--requires a multi-year authorization, whereas HEW programs are funded annually. The unique physical design of congregate units makes them unliveable unless social services are available. Developers will not construct such units without federal assurance that the services necessary to make the units rentable will be available on a long-term basis.

-- The program designs and regulatory restrictions of HEW programs prevent their use for congregate housing. Title VII of the Older Americans Act provides only one meal a day, five days a week. Title XX of the Social Security Act prohibits full nutrition aid, limits nutrition assistance to six months, etc. The point is that even if some HEW resources are available, the absence of even one required service will result in the displacement of a housing resident.

-- OMB notes that if new authorizing legislation is required, the Administration will submit it. In fact, new authorizing legislation would be required, a new legislative process involving different committees would be initiated, and thus a shift to HEW will be perceived by the interested groups as another Administration effort to kill this program. The HEW approach fails to take adequate account of the complexity of restructuring programs subject to the jurisdiction of six Senate and House Committees. It is also questionable whether HEW programs designed to serve millions of Americans should be restructured simply to target on a relatively small group with unique needs.

-- Opposition to locating this program in HUD would be futile and politically harmful. Senator Williams has worked toward this legislation for eight years, and it is a high priority for him and for seniors organizations, who have lobbied us actively. Furthermore, in the face of Administration opposition Senator Williams has previously prevailed on this issue with overwhelming Congressional support, and he would probably succeed again in reversing a deferral recommendation. DPS and HUD would have appealed OMB's position on congregate housing earlier except that the issue surfaced during the Camp David negotiations.

Recommendation

For both substantive and political reasons, we recommend against seeking a deferral of the HUD congregate services program. This has no budget impact.

Decision

_____	Recommend Congregate Services Deferral
_____	Delete Congregate Services Deferral from Message (Recommended)

THE WHITE HOUSE

WASHINGTON

November 1, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: NELSON H. CRUIKSHANK



SUBJECT: Deferral Request -- Congregate Housing Services

You will soon receive from OMB a request to defer a supplemental appropriation for Congregate Services in the amount of \$10 million for the Human Development Services account in HEW by transfer from HUD appropriated funds.

I have been in touch with Stu Eizenstat's people and have requested that my objection to this deferral be transmitted along with theirs to OMB. I understand that has been done and that OMB will note the objection of the Domestic Policy Staff to the deferral.

The purpose of this note is to emphasize and supplement my recommendation that you not approve this deferral for the following reasons:

1. The amount is small and does not involve any funds in addition to those in the approved budget;
2. The services that will be made possible in senior citizens housing by the funds appropriated will make it possible for older people to continue living in their own home environment where medical, rehabilitation, nutritional and related services are made available which would otherwise have to be provided in an institutional setting at a much greater cost; and
3. The program of congregate housing is one to which Senator Williams is deeply committed. The appropriations for the HUD-administered program were approved by the Congress without the support of the Administration. He might well consider the deferral of the availability of these funds for an uncertain length of time a kind of veto which the Congress would have no opportunity to override. Aside from the substantive arguments which, in my view, run strongly against the

deferral proposed by OMB, it seems hardly worth it to antagonize an important Senate ally like Senator Pete Williams over such a relatively small amount and which is within established budget limits.

ID 785715

THE WHITE HOUSE

WASHINGTON

DATE: 08 NOV 78

FOR ACTION: STU EIZENSTAT

*will definitely
comment & be with
rec from. exp 8/21*
*11/15 - joint memo w/ CL exp 2003 - well
11/20 - still not ready - been
11/21 - still w/12*

INFO ONLY: THE VICE PRESIDENT

FRANK MOORE (LES FRANCIS)

JACK WATSON *attached*

ANNE WEXLER

ZBIG BRZEZINSKI *-concur*

NELSON CRUIKSHANK

SUBJECT: MCINTYRE MEMO RE SECOND 1979 SPECIAL MESSAGE UNDER THE
IMPOUNDMENT CONTROL ACT OF 1974

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 10 NOV 78 +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of \$75,000 in unneeded funds appropriated to the Foreign Claims Settlement Commission.

In addition, I am reporting five new deferrals of budget authority totalling \$899 million and two revisions to previously transmitted deferrals increasing the amount deferred by \$21.4 million in budget authority. These items involve the military assistance program and programs in the Departments of Commerce, Defense, Housing and Urban Development, Justice, and State.

The details of the rescission proposal and the deferrals are contained in the attached reports.

THE WHITE HOUSE,

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

<u>Rescission No.</u>	<u>Item</u>	<u>Budget Authority</u>
R79-1	Other Independent Agencies: Foreign Claims Settlement Commission Salaries and Expenses.....	75
 <u>Deferral No.</u>		
	Funds Appropriated to the President:	
	International Security Assistance	
D79-31	Military assistance.....	161,875
	Department of Commerce:	
	United States Fire Administration	
D79-32	Facilities.....	6,150
	Maritime Administration	
D79-33	Ship construction.....	157,000
	Department of Defense-Military:	
D79-34	Shipbuilding and Conversion, Navy.....	563,940
D79-35	Department of Housing and Urban Development Congregate services program.....	10,000
	Department of Justice:	
	Federal Prison System	
D79-17A	Buildings and facilities.....	37,165
	Department of State:	
	United States emergency refugee and migration assistance fund.....	12,250
D79-18A	Subtotal, deferrals.....	948,380
	 Total, rescission proposal and deferrals...	948,455
* * * * *		* * * * *

SUMMARY OF SPECIAL MESSAGES
FOR FY 1979
(in thousands of dollars)

	<u>Rescissions</u>	<u>Deferrals</u>
Second special message:		
New items.....	75	898,965
Changes to amounts previously submitted.....	—	21,365
Effect of second special message.....	75	920,330
Previous special messages.....	—	1,178,229
Total amount proposed in special messages.....	75	2,098,559
	(in one rescission)	(in 35 deferrals)

NOTE: All amounts listed represent budget authority except for \$2,404,000 in one general revenue sharing deferral of outlays only.

PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 93-344

Agency <u>Foreign Claims Settlement Commission</u>	New budget authority <u>\$ 1,015,000</u> (P.L. <u>95-431</u>)
Bureau	Other budgetary resources _____
Appropriation title & symbol	Total budgetary resources <u>1,015,000</u>
Salaries and Expenses 7990100	Amount proposed for rescission <u>\$ 75,000</u>
OMB identification code: 79-0100-0-1-153	Legal authority*(in addition to sec. 1012): <input checked="" type="checkbox"/> Antideficiency Act
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Other _____
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification - The Foreign Claims Settlement Commission adjudicates the claims of American citizens against foreign countries for losses resulting from the seizure of properties, including nationalizations, expropriations, war damages, etc. During fiscal year 1979, the Commission will be engaged mainly in adjudicating the claims of Americans against the German Democratic Republic pursuant to Public Law 94-542. The State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1979, (P.L. 95-431) provided for an appropriation of \$1,015,000, to be derived by transfer from available balances from the Commission's "Payment of Vietnam Prisoner of War Claims" account to cover the Commission's administrative expenses.

The Commission anticipates a reduction in the workload related to the East German claims program in fiscal year 1979 resulting from the reduced number of claims received. Staff requirements have been reduced accordingly, and \$75,000 have been identified as excess to program needs. Therefore, rescission of these funds is proposed.

This action is taken in accordance with the Antideficiency Act (31 U.S.C. 665).

Estimated Effects - There is no programmatic effect resulting from this rescission proposal.

Outlay Effect: (estimated in thousands of dollars)

Comparison with the President's 1979 Budget:

1. Budget outlay estimate for 1979	930
2. Outlay savings, if any, included in the budget outlay estimate	---
Current outlay estimates for 1979:	
3. Without rescission	808
4. With rescission	<u>733</u>
5. Current outlay savings.....	<u>70</u>
Outlay savings for 1980	5

TITLE V - RELATED AGENCIES

Foreign Claims Settlement Commission

Salaries and Expenses

(Transfer of Funds)

Of the funds appropriated under this head in the State, Justice,
and Commerce, the Judiciary and Related Agencies Appropriation
Act, 1979, \$75,000 are rescinded.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Funds Appropriated to the President	New budget authority (P.L. <u>95-481</u>)	\$ <u>83,375,000</u>
Bureau International Security Assistance	Other budgetary resources	<u>127,000,000</u> 1/
Appropriation title & symbol	Total budgetary resources	<u>210,375,000</u>
Military Assistance 2/ 1191080	Amount to be deferred:	\$ <u>161,875,000</u>
	Part of year	
	Entire year	
OMB identification code: 11-1080-0-1-052	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act	
Grant program <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other _____	
Type of account or fund: <input checked="" type="checkbox"/> Annual	Type of budget authority: <input checked="" type="checkbox"/> Appropriation	
<input type="checkbox"/> Multiple-year _____ (expiration date)	<input type="checkbox"/> Contract authority	
<input type="checkbox"/> No-year	<input type="checkbox"/> Other _____	

Justification: Pursuant to the Foreign Assistance Act of 1961, as amended, the President is authorized to furnish military assistance "...to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the U.S. and promote world peace..." Funds for this purpose were appropriated in the Foreign Assistance and Related Programs Appropriation Act of 1979 and previous years.

The Administration is reviewing the proposed program within the new constraints imposed by the Foreign Assistance and Related Programs Appropriations Act of 1979 to determine what adjustments in allocation of funds to recipient countries are necessary and will report these to Congress in accordance with Section 653 of the Foreign Assistance Act of 1961, as amended. Pending this determination and the required congressional notification, \$161,875,000 of military assistance funds are deferred. This temporary deferral action is taken in accordance with the Antideficiency Act (31 U.S.C. 665) to achieve the most economical use of the appropriations.

Estimated Effect: There are no programmatic or budgetary effects resulting from this deferral.

Outlay Effect: This temporary deferral has no effect on outlays.

1/ The availability of these funds was extended until September 30, 1979, by P.L. 95-481.

2/ This account was the subject of a deferral in FY 1978.

Deferral No: _____

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority \$ _____ (P.L. _____)
Bureau United States Fire Administration	Other budgetary resources <u>6,150,000</u>
Appropriation title & symbol Facilities 138/00801	Total budgetary resources <u>6,150,000</u>
	Amount to be deferred: Part of year \$ <u>6,150,000</u> Entire year _____
OMB identification code: 13-0801-0-1-451	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multiple-year <u>September 30, 1980</u> (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:

The Second Supplemental Appropriations Act, 1978, provided \$6,150,000 for the renovation of the National Fire Academy site located at the former Marjorie Webster Junior College in Washington, D.C. However, concern about the cost of renovating the college, and possible future limitations on expansion due to local zoning laws prompted Congress to direct the United States Fire Administration to sell the present site and acquire another site for construction of a new academy.

Alternate sites for a new fire academy are now being considered. These funds are deferred pending the selection of a new site.

Estimated Effects:

This deferral has no effect on the program as currently planned for FY 1979.

Outlay Effect:

There will be no outlay effect since the funds would not be used if made available.

Deferral No: _____

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Defense - Military	New budget authority \$ <u>3,759,600,000</u> (P.L. <u>95-457</u>)
Bureau	Other budgetary resources <u>5,000,000</u>
Appropriation title & symbol Shipbuilding and Conversion Navy <u>1/</u> <u>179/31611</u>	Total budgetary resources <u>3,764,600,000</u>
	Amount to be deferred: Part of year \$ _____
	Entire year <u>563,940,000</u>
OMB identification code: <u>17-1611-0-1-051</u>	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual	Type of budget authority: <input checked="" type="checkbox"/> Appropriation
<input checked="" type="checkbox"/> Multiple-year <u>September 30, 1983</u> (expiration date)	<input type="checkbox"/> Contract authority
<input type="checkbox"/> No-year	<input type="checkbox"/> Other _____

Justification:

These funds are proposed for deferral through September 30, 1979. Due to the long period of time required to build ships, the Congress makes appropriations available for five-year periods.

Since these funds are, by law, made available beyond the current year, they are not fully apportioned in the current year. The unapportioned amount is withheld and released as the program develops and additional funds are required. The amounts deferred are to be released contingent upon the development of program needs that arise in current and future years.

Prudent financial management requires the deferral of those funds that could not be used effectively during the current year even if made available for obligation.

The above multiple-year appropriation is currently being deferred under the provisions of the Antideficiency Act (31 U.S.C. 665), which authorizes the establishment of reserves for contingencies.

Estimated Effects:

Deferral of \$563,940,000 will have no programmatic or budgetary effect since the funds could not be obligated at this time, even if made available.

Outlay Effects:

There is no outlay effect resulting from this deferral since the funds could not be used if made available.

1/ This account was the subject of a similar deferral in FY 1978.

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Housing and Urban Development Bureau	New budget authority \$ <u>10,000,000</u> (P.L. <u>95-392</u>)
Appropriation title & symbol Congregate Services Program 869/40178	Other budgetary resources _____ Total budgetary resources <u>10,000,000</u>
	Amount to be deferred: Part of year \$ <u>10,000,000</u> Entire year _____
CMB identification code: 86-0163-0-1-604	Legal authority (in addition to sec. 1013): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multiple-year <u>September 30, 1984</u> (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: The Department of Housing and Urban Development - Independent Agencies Appropriation Act, 1979, (P.L. 95-392) provided \$10 million in funding for a new program in the Department of Housing and Urban Development (HUD) to provide congregate services to eligible elderly and handicapped tenants living in certain subsidized housing units. The services contemplated for this "limited pilot program" are similar to those available through current programs in the Department of Health, Education, and Welfare (HEW) and to those offered by existing State social services agencies. This program can be better tested as a means to provide congregate services if developed in combination with existing HEW programs since HEW has human service delivery systems already in place.

The Administration will therefore request a supplemental appropriation of \$10 million for the Human development services account in HEW to be derived by transfer from the Congregate services program. If required, additional authorizing legislation will also be proposed. The deferral is submitted pending congressional approval of the forthcoming transfer request. This temporary deferral action will preserve the funds for transfer while Congress considers the supplemental by transfer proposal.

Estimated Effect: This deferral will temporarily delay the commencement of the Congregate services program while the Congress considers the request for transfer of the funds to HEW's Human development services program.

Outlay Effect: This deferral has no outlay effect. When the supplemental appropriation to be derived by transfer is approved by the Congress, the same outlays will occur in the HEW account.

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344.

This report revises Deferral No. D79-17 transmitted to the Congress on October 2, 1979, and printed as House Document No. 95-392.

The amount deferred for the Federal Prison System's Buildings and facilities account is \$37,165,000, an increase of \$11,865,000 over the amount previously deferred. This change results from an increase in budgetary resources made available by the State, Justice, and Commerce, the Judiciary and Related Agencies Appropriation Act of 1979.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency <u>Department of Justice</u>	New budget authority <u>\$35,280,000*</u> (P.L. _____)
Bureau <u>Federal Prison System</u>	Other budgetary resources <u>51,908,354</u>
Appropriation title & symbol <u>Buildings and Facilities 1/ 15X1003</u>	Total budgetary resources <u>87,188,354*</u>
	Amount to be deferred: Part of year \$ _____ Entire year <u>37,165,000*</u>
OMB identification code: <u>15-1003-0-1-753</u>	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input checked="" type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:*This appropriation finances planning, acquisition of sites, and construction of new penal and correctional facilities as well as construction, remodeling, and equipping of necessary buildings and facilities at existing penal and correctional institutions. Projects are undertaken to reduce overcrowding, close old and antiquated penitentiaries, and provide a safe and humane environment for staff and inmates. These funds were appropriated in the Departments of State, Justice, and Commerce, the Judiciary and Related Agencies Appropriation Act of 1979 and previous years. Due to the time required for planning, site acquisition, design efforts, and selection of contractors, it is not possible to complete the construction, renovation, and rehabilitation associated with these projects during FY 1979. This deferral is consistent with the congressional intent to provide no-year funding for the total cost of these projects and is taken under provisions of the Antideficiency Act (31 U.S.C. 665).

Estimated Effect: The amount deferred could not be economically used, if made available, in fiscal year 1979, because of the planned and phased procurement, construction and installation cycle.

Outlay Effect: In FY 1979 there is no outlay effect of this deferral.

1/ This account was the subject of a deferral during FY 1978.

* Revised from previous report.

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344

This report revises Deferral No. D79-18 transmitted to the Congress on October 2, 1978 and printed as House Document No. 95-392.

The amount deferred for the United States Emergency Refugee and Migration Assistance Fund is \$12,250,000, an increase of \$9,500,000 over the amount previously deferred. This change results from an increase in budgetary resources made available by the Foreign Assistance and Related Programs Appropriation Act, 1979.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of State	New budget authority (P.L. _____) \$ <u>9,500,000*</u>
Bureau	Other budgetary resources <u>2,750,000</u>
Appropriation title & symbol United States Emergency Refugee and Migration Assistance Fund, Executive <u>1/</u> 11X0040	Total budgetary resources <u>12,250,000*</u>
	Amount to be deferred: Part of year \$ <u>12,250,000*</u>
	Entire year _____
OMB identification code: <u>11-0040-0-1-151</u>	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input checked="" type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:*Section 501(a) of the Foreign Relations Authorization Act, Fiscal Year 1976, Public Law 94-141, approved November 29, 1975, amended section 2(c) of the Refugee and Migration Assistance Act of 1962 (22 U.S.C. 2601) by authorizing a fund not to exceed \$25 million to enable the President to provide emergency assistance for unexpected urgent refugee and migration needs.

By Executive Order No. 11922 of June 16, 1976, the President allocated all funds appropriated to him for the Emergency Fund to the Secretary of State but reserved to himself the determination of assistance to be furnished and the designation of refugees to be assisted by the Fund.

In addition to \$2,750,000 in unobligated balances previously deferred, the Foreign Assistance and Related Programs Appropriation Act, 1979 (P.L. 95-481) provided \$9,500,000 in new budget authority for the Fund. Consonant with the President's authority set out in Executive Order No. 11922 and to achieve the most economical use of appropriations (31 U.S.C. 665(c) (1), \$12,250,000 of the Fund is now deferred. It is anticipated that reapportionments may be made case-by-case as the President determines assistance to be furnished and designates refugees to be assisted by the Fund.

Estimated Effect: There are no programmatic or budgetary effects resulting from this deferral.

Outlay Effect: No effect on outlays results from this deferral action.

1/ This account was the subject of a similar deferral during FY 1978.

* Revised from previous report.

THE WHITE HOUSE

WASHINGTON

November 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
BRUCE KIRSCHENBAUM

SUBJECT: McIntyre Memo on Special Deferral Message

We would like to comment on two of the deferral actions.

1. HUD congregate services program - \$10 million.

We support OMB's request for deferral. In fact, we would support a rescission of these funds because we feel interagency agreement could be worked out between HEW and HUD to use existing funds. (Agriculture and HEW recently reached such an agreement.)

2. Fire Academy - \$6.2 million.

We also support OMB on deferring this amount since the Fire Administration is about to be merged into FEMA and the new administrator should really have some say in the entire selection process.

ID 785679

THE WHITE HOUSE

WASHINGTON

DATE: 02 NOV 78

FOR ACTION:

INFO ONLY: STU EIZENSTAT

ADD TO FORTHcoming
ON B memo

SUBJECT: CRUIKSHANK MEMO RE DEFERRAL REQUEST -- CONGREAGE HOUSING
SERVICES

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

<u>Rescission No.</u>	<u>Item</u>	<u>Budget Authority</u>
R79-1	Other Independent Agencies: Foreign Claims Settlement Commission Salaries and Expenses.....	75
 <u>Deferral No.</u>		
	Funds Appropriated to the President:	
	International Security Assistance	
D79-31	Military assistance.....	161,875
	Department of Commerce:	
	United States Fire Administration	
D79-32	Facilities.....	6,150
	Maritime Administration	
D79-33	Ship construction.....	157,000
	Department of Defense-Military:	
D79-34	Shipbuilding and Conversion, Navy.....	563,940
	Department of Housing and Urban Development	
D79-35	Congregate services program.....	10,000
	Department of Justice:	
	Federal Prison System	
D79-17A	Buildings and facilities.....	37,165
	Department of State:	
	United States emergency refugee	
D79-18A	and migration assistance fund.....	12,250
	Subtotal, deferrals.....	948,380
	Total, rescission proposal and deferrals...	948,455
* * *	* * * * *	* * *

SUMMARY OF SPECIAL MESSAGES
FOR FY 1979
(in thousands of dollars)

	<u>Rescissions</u>	<u>Deferrals</u>
Second special message:		
New items.....	75	898,965
Changes to amounts previously submitted.....	---	21,365
Effect of second special message.....	75	920,330
Previous special messages.....	---	1,178,229
Total amount proposed in special messages.....	75	2,098,559
	(in one rescission)	(in 35 deferrals)

NOTE: All amounts listed represent budget authority except for \$2,404,000 in one general revenue sharing deferral of outlays only.

PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 93-344

Agency <u>Foreign Claims Settlement Commission</u>	New budget authority <u>\$ 1,015,000</u> (P.L. <u>95-431</u>)
Bureau	Other budgetary resources _____
Appropriation title & symbol	Total budgetary resources <u>1,015,000</u>
Salaries and Expenses 7990100	Amount proposed for rescission <u>\$ 75,000</u>
OMB identification code: 79-0100-0-1-153	Legal authority*(in addition to sec. 1012): <input checked="" type="checkbox"/> Antideficiency Act
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Other _____
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification - The Foreign Claims Settlement Commission adjudicates the claims of American citizens against foreign countries for losses resulting from the seizure of properties, including nationalizations, expropriations, war damages, etc. During fiscal year 1979, the Commission will be engaged mainly in adjudicating the claims of Americans against the German Democratic Republic pursuant to Public Law 94-542. The State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1979, (P.L. 95-431) provided for an appropriation of \$1,015,000, to be derived by transfer from available balances from the Commission's "Payment of Vietnam Prisoner of War Claims" account to cover the Commission's administrative expenses.

The Commission anticipates a reduction in the workload related to the East German claims program in fiscal year 1979 resulting from the reduced number of claims received. Staff requirements have been reduced accordingly, and \$75,000 have been identified as excess to program needs. Therefore, rescission of these funds is proposed.

This action is taken in accordance with the Antideficiency Act (31 U.S.C. 665).

Estimated Effects - There is no programmatic effect resulting from this rescission proposal.

Outlay Effect: (estimated in thousands of dollars)

Comparison with the President's 1979 Budget:

1. Budget outlay estimate for 1979	930
2. Outlay savings, if any, included in the budget outlay estimate	---
Current outlay estimates for 1979:	
3. Without rescission	808
4. With rescission	<u>733</u>
5. Current outlay savings.....	<u>70</u>
Outlay savings for 1980	5

TITLE V - RELATED AGENCIES

Foreign Claims Settlement Commission

Salaries and Expenses

(Transfer of Funds)

Of the funds appropriated under this head in the State, Justice,
and Commerce, the Judiciary and Related Agencies Appropriation
Act, 1979, \$75,000 are rescinded.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Funds Appropriated to the President	New budget authority (P.L. <u>95-481</u>)	\$ <u>83,375,000</u>
Bureau International Security Assistance	Other budgetary resources	<u>127,000,000</u> ^{1/}
Appropriation title & symbol Military Assistance <u>2/</u> 1191080	Total budgetary resources	<u>210,375,000</u>
	Amount to be deferred:	
	Part of year	\$ <u>161,875,000</u>
	Entire year	<u> </u>
OMB identification code: 11-1080-0-1-052	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act	
Grant program <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other <u> </u>	
Type of account or fund: <input checked="" type="checkbox"/> Annual	Type of budget authority: <input checked="" type="checkbox"/> Appropriation	
<input type="checkbox"/> Multiple-year <u> </u> (expiration date)	<input type="checkbox"/> Contract authority	
<input type="checkbox"/> No-year	<input type="checkbox"/> Other <u> </u>	

Justification: Pursuant to the Foreign Assistance Act of 1961, as amended, the President is authorized to furnish military assistance "...to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the U.S. and promote world peace..." Funds for this purpose were appropriated in the Foreign Assistance and Related Programs Appropriation Act of 1979 and previous years.

The Administration is reviewing the proposed program within the new constraints imposed by the Foreign Assistance and Related Programs Appropriations Act of 1979 to determine what adjustments in allocation of funds to recipient countries are necessary and will report these to Congress in accordance with Section 653 of the Foreign Assistance Act of 1961, as amended. Pending this determination and the required congressional notification, \$161,875,000 of military assistance funds are deferred. This temporary deferral action is taken in accordance with the Antideficiency Act (31 U.S.C. 665) to achieve the most economical use of the appropriations.

Estimated Effect: There are no programmatic or budgetary effects resulting from this deferral.

Outlay Effect: This temporary deferral has no effect on outlays.

1/ The availability of these funds was extended until September 30, 1979, by P.L. 95-481.

2/ This account was the subject of a deferral in FY 1978.

Deferral No: _____

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority \$ _____ (P.L. _____)
Bureau United States Fire Administration	Other budgetary resources <u>6,150,000</u>
Appropriation title & symbol Facilities 138/00801	Total budgetary resources <u>6,150,000</u>
	Amount to be deferred: Part of year \$ <u>6,150,000</u> Entire year _____
OMB identification code: 13-0801-0-1-451	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multiple-year <u>September 30, 1980</u> (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:

The Second Supplemental Appropriations Act, 1978, provided \$6,150,000 for the renovation of the National Fire Academy site located at the former Marjorie Webster Junior College in Washington, D.C. However, concern about the cost of renovating the college, and possible future limitations on expansion due to local zoning laws prompted Congress to direct the United States Fire Administration to sell the present site and acquire another site for construction of a new academy.

Alternate sites for a new fire academy are now being considered. These funds are deferred pending the selection of a new site.

Estimated Effects:

This deferral has no effect on the program as currently planned for FY 1979.

Outlay Effect:

There will be no outlay effect since the funds would not be used if made available.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Defense - Military	New budget authority (P.L. <u>95-457</u>)	\$ <u>3,759,600,000</u>
Bureau	Other budgetary resources	<u>5,000,000</u>
Appropriation title & symbol Shipbuilding and Conversion Navy <u>1/</u> <u>179/31611</u>	Total budgetary resources	<u>3,764,600,000</u>
	Amount to be deferred:	
	Part of year	\$ _____
	Entire year	<u>563,940,000</u>
OMB identification code: <u>17-1611-0-1-051</u>	/Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act	
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Other _____	
Type of account or fund: <input type="checkbox"/> Annual	Type of budget authority:	
<input checked="" type="checkbox"/> Multiple-year <u>September 30, 1983</u> (expiration date)	<input checked="" type="checkbox"/> Appropriation	
<input type="checkbox"/> No-year	<input type="checkbox"/> Contract authority	
	<input type="checkbox"/> Other _____	

Justification:

These funds are proposed for deferral through September 30, 1979. Due to the long period of time required to build ships, the Congress makes appropriations available for five-year periods.

Since these funds are, by law, made available beyond the current year, they are not fully apportioned in the current year. The unapportioned amount is withheld and released as the program develops and additional funds are required. The amounts deferred are to be released contingent upon the development of program needs that arise in current and future years.

Prudent financial management requires the deferral of those funds that could not be used effectively during the current year even if made available for obligation.

The above multiple-year appropriation is currently being deferred under the provisions of the Antideficiency Act (31 U.S.C. 665), which authorizes the establishment of reserves for contingencies.

Estimated Effects:

Deferral of \$563,940,000 will have no programmatic or budgetary effect since the funds could not be obligated at this time, even if made available.

Outlay Effects:

There is no outlay effect resulting from this deferral since the funds could not be used if made available.

1/ This account was the subject of a similar deferral in FY 1978.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Housing and Urban Development Bureau	New budget authority \$ <u>10,000,000</u> (P.L. <u>95-392</u>)
Appropriation title & symbol Congregate Services Program 869/40178	Other budgetary resources _____ Total budgetary resources <u>10,000,000</u>
	Amount to be deferred: Part of year \$ <u>10,000,000</u> Entire year _____
CMB identification code: 86-0163-0-1-604	/Legal authority (in addition to sec. 1013): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multiple-year <u>September 30, 1984</u> (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: The Department of Housing and Urban Development - Independent Agencies Appropriation Act, 1979, (P.L. 95-392) provided \$10 million in funding for a new program in the Department of Housing and Urban Development (HUD) to provide congregate services to eligible elderly and handicapped tenants living in certain subsidized housing units. The services contemplated for this "limited pilot program" are similar to those available through current programs in the Department of Health, Education, and Welfare (HEW) and to those offered by existing State social services agencies. This program can be better tested as a means to provide congregate services if developed in combination with existing HEW programs since HEW has human service delivery systems already in place.

The Administration will therefore request a supplemental appropriation of \$10 million for the Human development services account in HEW to be derived by transfer from the Congregate services program. If required, additional authorizing legislation will also be proposed. The deferral is submitted pending congressional approval of the forthcoming transfer request. This temporary deferral action will preserve the funds for transfer while Congress considers the supplemental by transfer proposal.

Estimated Effect: This deferral will temporarily delay the commencement of the Congregate services program while the Congress considers the request for transfer of the funds to HEW's Human development services program.

Outlay Effect: This deferral has no outlay effect. When the supplemental appropriation to be derived by transfer is approved by the Congress, the same outlays will occur in the HEW account.

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344.

This report revises Deferral No. D79-17 transmitted to the Congress on October 2, 1979, and printed as House Document No. 95-392.

The amount deferred for the Federal Prison System's Buildings and facilities account is \$37,165,000, an increase of \$11,865,000 over the amount previously deferred. This change results from an increase in budgetary resources made available by the State, Justice, and Commerce, the Judiciary and Related Agencies Appropriation Act of 1979.

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency <u>Department of Justice</u>	New budget authority <u>\$35,280,000*</u> (P.L. _____)
Bureau <u>Federal Prison System</u>	Other budgetary resources <u>51,908,354</u>
Appropriation title & symbol <u>Buildings and Facilities 1/ 15X1003</u>	Total budgetary resources <u>87,188,354*</u>
	Amount to be deferred: Part of year \$ _____ Entire year <u>37,165,000*</u>
CMB identification code: <u>15-1003-0-1-753</u>	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input checked="" type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:*This appropriation finances planning, acquisition of sites, and construction of new penal and correctional facilities as well as construction, remodeling, and equipping of necessary buildings and facilities at existing penal and correctional institutions. Projects are undertaken to reduce overcrowding, close old and antiquated penitentiaries, and provide a safe and humane environment for staff and inmates. These funds were appropriated in the Departments of State, Justice, and Commerce, the Judiciary and Related Agencies Appropriation Act of 1979 and previous years. Due to the time required for planning, site acquisition, design efforts, and selection of contractors, it is not possible to complete the construction, renovation, and rehabilitation associated with these projects during FY 1979. This deferral is consistent with the congressional intent to provide no-year funding for the total cost of these projects and is taken under provisions of the Antideficiency Act (31 U.S.C. 665).

Estimated Effect: The amount deferred could not be economically used, if made available, in fiscal year 1979, because of the planned and phased procurement, construction and installation cycle.

Outlay Effect: In FY 1979 there is no outlay effect of this deferral.

1/ This account was the subject of a deferral during FY 1978.

* Revised from previous report.

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344

This report revises Deferral No. D79-18 transmitted to the Congress on October 2, 1978 and printed as House Document No. 95-392.

The amount deferred for the United States Emergency Refugee and Migration Assistance Fund is \$12,250,000, an increase of \$9,500,000 over the amount previously deferred. This change results from an increase in budgetary resources made available by the Foreign Assistance and Related Programs Appropriation Act, 1979.

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of State	New budget authority (P.L. _____) \$ <u>9,500,000*</u>
Bureau	Other budgetary resources <u>2,750,000</u>
Appropriation title & symbol United States Emergency Refugee and Migration Assistance Fund, Executive <u>1/</u> 11X0040	Total budgetary resources <u>12,250,000*</u>
OMB identification code: <u>11-0040-0-1-151</u>	Amount to be deferred: Part of year \$ <u>12,250,000*</u>
Grant program <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Entire year _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input checked="" type="checkbox"/> No-year	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification:*Section 501(a) of the Foreign Relations Authorization Act, Fiscal Year 1976, Public Law 94-141, approved November 29, 1975, amended section 2(c) of the Refugee and Migration Assistance Act of 1962 (22 U.S.C. 2601) by authorizing a fund not to exceed \$25 million to enable the President to provide emergency assistance for unexpected urgent refugee and migration needs.

By Executive Order No. 11922 of June 16, 1976, the President allocated all funds appropriated to him for the Emergency Fund to the Secretary of State but reserved to himself the determination of assistance to be furnished and the designation of refugees to be assisted by the Fund.

In addition to \$2,750,000 in unobligated balances previously deferred, the Foreign Assistance and Related Programs Appropriation Act, 1979 (P.L. 95-481) provided \$9,500,000 in new budget authority for the Fund. Consonant with the President's authority set out in Executive Order No. 11922 and to achieve the most economical use of appropriations (31 U.S.C. 665(c)(1)), \$12,250,000 of the Fund is now deferred. It is anticipated that reapportionments may be made case-by-case as the President determines assistance to be furnished and designates refugees to be assisted by the Fund.

Estimated Effect: There are no programmatic or budgetary effects resulting from this deferral.

Outlay Effect: No effect on outlays results from this deferral action.

I/ This account was the subject of a similar deferral during FY 1978.

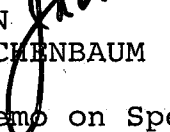
* Revised from previous report.

THE WHITE HOUSE

WASHINGTON

November 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON 
BRUCE KIRSCHENBAUM

SUBJECT: McIntyre Memo on Special Deferral Message

We would like to comment on two of the deferral actions.

1. HUD congregate services program - \$10 million.

We support OMB's request for deferral. In fact, we would support a rescission of these funds because we feel interagency agreement could be worked out between HEW and HUD to use existing funds. (Agriculture and HEW recently reached such an agreement.)

2. Fire Academy - \$6.2 million.

We also support OMB on deferring this amount since the Fire Administration is about to be merged into FEMA and the new administrator should really have some say in the entire selection process.

ID 785679

THE WHITE HOUSE

WASHINGTON

DATE: 02 NOV 78

FOR ACTION:

ADD TO FORTHCOMING

ON B memo

INFO ONLY: STU EIZENSTAT

SUBJECT: CRUIKSHANK MEMO RE DEFERRAL REQUEST -- CONGREAGE HOUSING
SERVICES

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

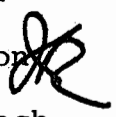
2:10 p.m.

THE WHITE HOUSE
WASHINGTON

9
1

November 29, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Jerry Rafshoon 
SUBJECT: Mid-Term Speech

I read your comments concerning the Mid-Term speech. I agree that the speech should be more inspiring. I think it should make clear, as you did in your remarks in Maine, that after years of confusion and doubt, shame and embarrassment "we have turned our Nation and now we have goals of which we can be proud." The speech would cite the progress we are making towards the goals you outlined in your notes.

But it is important that you state clearly your vision of the Democratic Party and its future. While reaffirming the traditional goals of the Party you should also stress responsibility which is your own important contribution to the Democratic equation.

There are some political realities which must be faced in this speech.

1. We are asking Democrats to support an austere budget and cuts in many popular programs to help control inflation.
2. Some proposed new programs will have to be cut back or deferred.

This is not a message all Democrats want to hear, but it is the message you must bring to the Mid-Term Conference. You should be just as firm and blunt with this audience as you were with the League of Cities. We think it can, and should be done, in a positive way. We are committed to controlling inflation because we want to see continued, expanding economic growth with new jobs and new opportunities for the

American people. We are committed to cutting waste and fraud because we know that the people who suffer most from the misuse of tax-payers money are those most vulnerable and most in need.

Democrats -- who believe in a strong, competitive economy and in programs for decent health care, education, housing -- should support these goals.

The worst possible press accounts of your speech would say either 1. Carter Gets Cool Reception from Democrats or 2. Carter Ducks Confrontation With Democrats ... Tries To Be All Things To All People.

We think both can be avoided and the speech can be a plus for your Administration.

Your record of achievement in virtually every area from jobs to education to civil rights to human rights and peace is one Democrats should enthusiastically support. We want to build a series of applause lines into the speech early when you go through your accomplishments so that no story appears suggesting that your response from the Party was not warm.

The Vice President will not be speaking before you so you will be the first speaker to address the Democratic record. Controlling inflation; fighting fraud and abuse; SALT II are all challenges around which Democrats can be asked to rally and can be talked about in positive, challenging, inspiring ways.

I would like to meet with you to discuss these ideas briefly and get your views and then write a proposed draft. May we meet tomorrow morning?

APPROVE _____

DISAPPROVE _____

10:30 AM

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

Ep

FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON

DATE: 28 November 1978

SUBJECT: VISIT OF THE PRIME MINISTER OF TUNISIA
AND MRS. NOUIRA
29 November 1978

Attached is information on the functions to be
held tomorrow for the visiting officials indicated above.

ON THE OCCASION OF
THE VISIT OF
THE PRIME MINISTER OF TUNISIA
AND MRS. NOUIRA

Ep

ARRIVAL

- 10:00 A.M. Welcoming and Official Parties arrive White House, South Lawn.
- 10:20 A.M. Official Party preceding the Prime Minister arrives White House, and takes positions on South Lawn.
- 10:27 A.M. THE PRESIDENT AND MRS. CARTER arrive Diplomatic Reception Room.
- 10:29 A.M. THE PRESIDENT AND MRS. CARTER are announced, and enter grounds to edge of red carpet.

(Music - "Man of the Hour")

- 10:30 A.M. The motorcade carrying the Prime Minister and Mrs. Nouiira arrives - fanfare. Official introductions.

The PRINCIPALS (4) proceed onto platform and into positions for honors.

(Tunisian National Anthem)
(U.S. National Anthem)
(19-gun Salute)

THE PRESIDENT and the Prime Minister descend platform for Inspection of Troops. Return to platform for remarks.

(All PRINCIPALS into new positions - see attached.)
(Translator onto platform and into positions.)

NOTE: Translator will whisper PRESIDENT'S remarks to the Prime Minister, and move back to microphone for Prime Minister's remarks.

Following remarks, PRINCIPALS return to positions facing south as Commander of Troops closes ceremony. Translator leaves platform.

ALL PRINCIPALS descend platform, ascend stairs to South Portico Balcony for press photo session. Continue into Blue Room for receiving line.

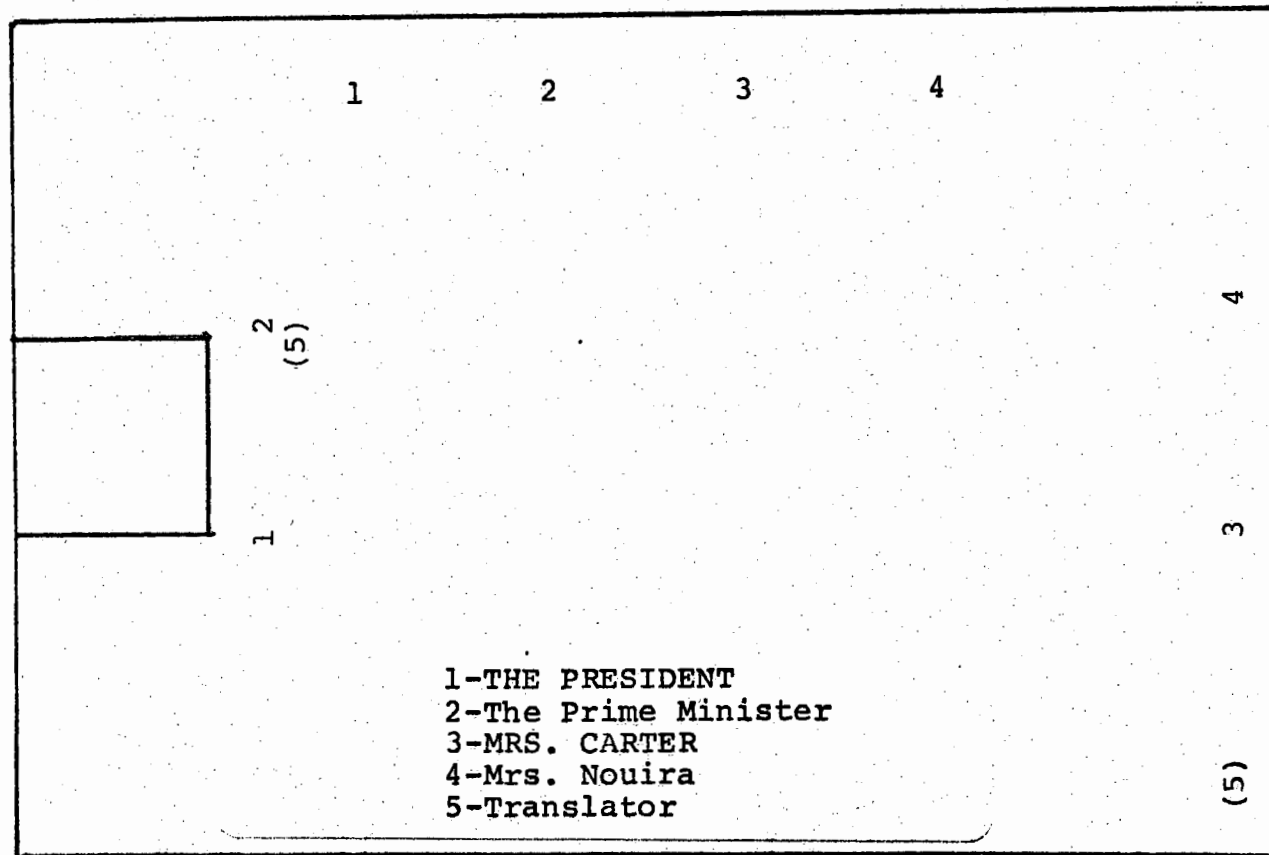
- 11:00 A.M. Coffee is served in Blue Room.

- 11:15 A.M. THE PRESIDENT and the Prime Minister depart State floor for Oval Office.

MRS. CARTER departs State floor. Mrs. Nouiira is escorted to Blair House.

SOUTH LAWN

SOUTH LAWN



Diplomatic Entrance

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON

DATE: 28 November 1978

SUBJECT: RAIN PLAN - ARRIVAL CEREMONY
VISIT OF THE PRIME MINISTER OF TUNISIA
AND MRS. NOUIRA
29 November 1978

In the event of rain, the Prime Minister and Mrs. Nouiira will arrive at the North Portico. Following your greeting at the North Portico, all four should proceed down the cross hall and into the East Room.

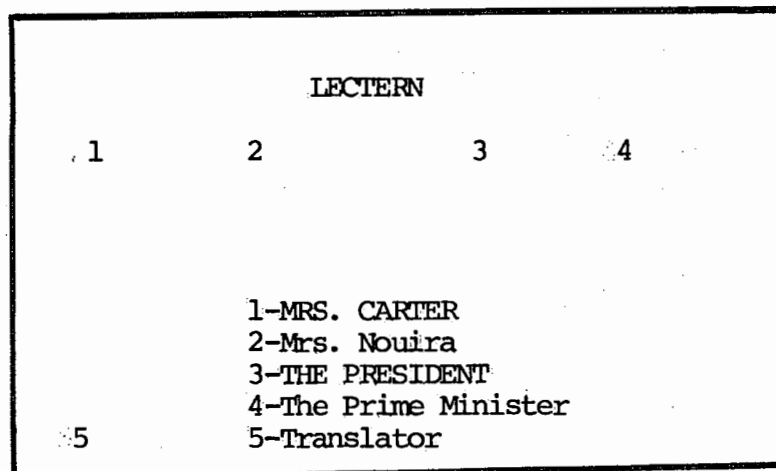
As you enter (pausing for the announcements) the platform will be directly in front of you, and the official parties will be on your right. On the platform, please note that your positions will be different from those at an outside ceremony. The diagram below shows your positions on the platform, facing the cross hall and press pens.

Coffee after the ceremony will be held in the Blue Room, and all four Principals should depart the East Room via the cross hall, and enter the Blue Room from the cross hall.

PRESS

PRESS

Official
Parties



MEMORANDUM

THE WHITE HOUSE
WASHINGTON

FOR THE PRESIDENT

FROM GRETCHEN POSTON

DATE: 28 November 1978

SUBJECT: LUNCHEON - PRIME MINISTER OF TUNISIA
Noon 29 November 1978

The luncheon for you, the Prime Minister, and your guests is scheduled to begin at noon, and will be in the Family Dining Room in the Residence.

Your guest list, and a copy of the menu are attached.

The President

His Excellency Hedi Nouira
Prime Minister of Tunisia

His Excellency Mohamed Fitouri
Minister of Foreign Affairs of Tunisia

His Excellency Ali Hedda
Ambassador of Tunisia to the United States

His Excellency Hassan Belkhodja
Minister of Agriculture

His Excellency Mustapha Zaahouni
Minister of Planning

Mr. Hamed Abed
Chief of Cabinet

Mr. Moureddine Mejdoub
Director for Political Affairs for Europe & America,
Foreign Affairs Ministry

Mr. Mohammed Gherib
Minister Counsellor

a The Vice President
West Wing

a Hon. Cyrus R. Vance
Secretary of State
Dept. of State - 20520

R Hon. Harold Brown
Secretary of Defense
Dept. of Defense - 20301

a Hon. (Dr) Zbigniew Brzezinski
West Wing

a Hon. (Amb) Edward W. Mulcahy
NEA/AFN 5248A, Dept. of State - 20520
(American Ambassador to Tunisia)

a Hon. Harold H. Saunders
NEA 6242, Dept. of State - 20520
(Asst Secy for Near Eastern & So Asian Affs)

Mr. Stephen W. Bosworth
EB/ORF 3529, Dept. of State - 20520
(Dep Asst Secy)

Dr. William Quandt
326 BOB
(NSC staff mbr)

Mr. Alec Toumayan
OSR/IR 2212, Dept. of State - 20520
(Interpreter)

a Hon. Charles W. Duncan, Jr.
Deputy Secretary of Defense

Page 2

Secretary of NEW Joseph A. Califano - must be in NYC

(Wednesday
Nov. 29, 1978
app: 25 guests

STATE LUNCHEON

P. M. of Tunisia

Mulligatawny Soup
Cheese Straws

(Sauted Tenderloin of Veal
Saffron Rice
Stuffed Mushrooms
Eggplant

(Tangerine Parfait
Petits fours

TALKING POINTS --
ARRIVAL CEREMONY

THE WHITE HOUSE

WASHINGTON

November 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BERNIE ARONSON, DENNIS FITZGIBBONS *DF*
SUBJECT: Talking Points for Arrival of
Prime Minister Nouria of Tunisia -- 11/29/78

Mr. Prime Minister, Ladies and Gentlemen:

1. Our nation is blessed with many good friends around the world. It is my pleasure today to welcome to the United States the Prime Minister of a nation with which we have always enjoyed excellent relations. Since regaining its independence under the courageous leadership of President Habib Bourguiba, (Ha-beeb Boor-ghee-ba), the governments of Tunisia and the United States have worked closely together. We have built a strong, enduring friendship. Never has this been truer than during the eight years Prime Minister Nouria has been the head of Tunisia's government.

2. Under the Prime Minister's direction, and the guidance of President Bourguiba, Tunisia has won well-deserved praise for its successful development efforts. Tunisia's natural resources may be modest, but the Tunisian people have great resources of spirit and energy and love for their country. Tunisia will soon have a self-sustaining economy. All Americans are proud that our nation was one of the first to answer the call of

Tunisian people for assistance.

3. Tunisia enjoys respect for its leadership in the community of nations. With uncompromised principle, the Prime Minister and his colleagues have persistently sought practical solutions to problems which threaten peace. We remember President Bourguiba's courage in 1965 when he called on other Arab governments to recognize the reality of Israel's existence in the Middle East. We remember when, on your last visit to Washington, you spoke of the futility of trying to resolve problems in an atmosphere of resentment and violence. We share your conviction then that "a dialogue must prevail over blind force and the judgment of arms."

Today, acting in the spirit of your leadership, we move closer to peace in the region of the Middle East. I hope to obtain the Prime Minister's valuable advice on how we can continue to move to our common goal of a just and durable peace in the Middle East.

4. As Tunisia has grown into a more modern society, our countries have grown closer. Our diplomats in Tunisia have been joined by businessmen, tourists, and scholars. In turn, Tunisian businessmen are exploring American markets. The Tunisian press agency recently opened a New York office. And I understand that Tunisian volunteers are teaching French in Louisiana. These growing ties give us confidence, Mr. Prime Minister, that Tunisian-American relations will grow stronger and ever more firm in the future.

5. You have visited Washington before, Mr. Prime Minister, but this is our first meeting. I find in you a good friend of our country, an experienced statesman, and a courageous leader who has devoted his life to the people of Tunisia. I look forward to our discussions, knowing that our hopes for Tunisia, the Middle East, and the world, are based on similar values and a common, unswerving commitment to peace and justice.

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TALKING POINTS --
LUNCHEON

THE WHITE HOUSE

WASHINGTON

November 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BERNIE ARONSON, DENNIS FITZGIBBONS *BA* *DF*
SUBJECT: Talking Points for Luncheon Toast
for Prime Minister Nouria -- 11/29/78

Mr. Prime Minister:

1. Today we have had the opportunity to discuss our mutual desire for a just and lasting peace in the Middle East.

President Bourguiba enjoys great respect in our country for many reasons, but none more important than his commitment to peace. Mr. Prime Minister, we were moved by your words today about your continuing commitment and hopes for peace.

2. We are aware of what is at stake for the people of the Middle East. Their suffering has made peace both difficult and essential to obtain. We understand the special compassion you feel for the Palestinians and your commitment to the realization of their legitimate rights. We share this compassion. We know that the only peace settlement possible will permit the Palestinian people to exercise their rights. You have been kind enough to speak favorably of my efforts to bring the parties together. I am encouraged by your sympathy with our efforts, and I look forward to your continued understanding.

3. I congratulate you, Mr. Prime Minister, for the remarkable

growth of the Tunisian economy under your visionary leadership. You have not been discouraged by modest resources, recurrent drought, or unsteady export prices. Your wise and careful use of foreign assistance has brought additional help for Tunisia from the international community, and gained the confidence of businessmen around the world.

4. But in your nation, as in ours, some poverty remains. We are pleased to work with you to better the conditions of life in Tunisia. Today, we spoke of Tunisia's continuing needs, and I pledge this Government's intention to give them our sympathetic consideration, and attention.

5. Later this week you will be visiting farms in the Southwest and California. You will meet in New York with representatives of American agriculture. As a farmer from a state you have visited, I want to express my admiration for you taking the time and trouble to investigate personally the opportunities our countries may have for private cooperation in agriculture. I pledge to you the help of those agencies of our government which can help in establishing ties between American agriculture and your country.

6. Mr. Prime Minister, it has been an honor to meet you today. I am confident our discussions, and those which will follow with Secretary Vance and others, will bring forward new opportunities for us to work together for peace and human dignity. Please convey my profound respects to President Bourguiba.

Let us drink a toast to President Bourguiba, to you, and to the friendship between the people of Tunisia and the United States.

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